DOCUMENT RESUME

ED 462 220 RC 023 345

AUTHOR Moser, Colletta H.; Begashaw, Getachew W.
TITLE Some Reasons Why Rural Workers Do Not Find Work in Tight Labor Markets: Results from Focus Groups Meetings in Rural Michigan. Staff Paper.
INSTITUTION Michigan State Univ., East Lansing. Dept. of Agricultural Economics.
SPONS AGENCY Department of Agriculture, Washington, DC.
PUB DATE 2000-12-00
NOTE 18p.; Grant from the Fund for Rural America.
CONTRACT No-00-55
AVAILABLE FROM For full text: http://www.agecon.lib.umn.edu/cgi-bin/pdf_view.pl?paperid=2576&ftype=.pdf.
PUB TYPE Reports - Research (143)
EDRS PRICE MF01/PC01 Plus Postage.
DESCRIPTORS Computer Literacy; Day Care Centers; Economic Development; Economically Disadvantaged; Education Work Relationship; *Employee Attitudes; *Employment Patterns; Employment Problems; *Equal Opportunities (Jobs); Focus Groups; *Labor Market; Labor Supply; *Nonmetropolitan Areas; *Underemployment
IDENTIFIERS Labor Force Analysis; Michigan

ABSTRACT

A study examined barriers to employment for rural Michigan residents, especially during an economic boom. Four focus groups conducted in four nonmetropolitan growth counties in Michigan indicated that educated, skilled workers were seeking to enter the labor force or to work more hours, even though community leaders, newspapers, and job developers felt there was a shortage of local workers. The foremost factor contributing to this situation was an inadequate and seasonal demand for most goods and services produced in the counties studied. As a result, both employers and employees faced risks and uncertainties about the future. Due to lack of formal channels of finding jobs, job seekers had to rely on word-of-mouth, which is not an efficient means of finding employment. There was no public transportation system in nonmetro areas. Because workers could not find full-time jobs, they took multiple part-time jobs, and the transportation costs of driving large distances to work and day care made minimum wage jobs even less attractive than in urban areas. The high cost of licensed child and elder care centers created disincentives for taking low-paying jobs. The high collateral requirement to get loans minimized the opportunity for entrepreneurs to start home-based businesses. Discrimination based on sex, age, and disability, and the failure of schools to require computer literacy were also factors. Participants felt that local government officials could exercise more foresight in attracting certain kinds of businesses and support systems for workers. (TD)

Reproductions supplied by EDRS are the best that can be made

ED 462 220

Staff Paper

SOME REASONS WHY RURAL WORKERS DO NOT FIND WORK IN TIGHT LABOR MARKETS: RESULTS FROM FOCUS GROUPS MEETINGS IN RURAL MICHIGAN

Dr. Colletta H. Moser and Dr. Getachew W. Begashaw

Staff Paper No. 00-55 December 2000

U.S. DEPARTMENT OF EDUCATION
Office of Educational Research and Improvement
EDUCATIONAL RESOURCES INFORMATION CENTER (ERIC)

☑ This document has been reproduced as received from the person or organization originating it.

☐ Minor changes have been made to improve reproduction quality.

• Points of view or opinions stated in this document do not necessarily represent official OERI position or policy.

PERMISSION TO REPRODUCE AND DISSEMINATE THIS MATERIAL HAS BEEN GRANTED BY

Colletta Moser

TO THE EDUCATIONAL RESOURCES INFORMATION CENTER (ERIC)

1

Department of Agricultural Economics
MICHIGAN STATE UNIVERSITY
East Lansing, Michigan 48824

MSU is an Affirmative Action/Equal Opportunity Institution

RC 023345

BEST COPY AVAILABLE

SOME REASONS WHY RURAL WORKERS DO NOT FIND WORK IN TIGHT LABOR MARKETS: RESULTS FROM FOCUS GROUPS MEETINGS IN RURAL MICHIGAN

Dr. Colletta H. Moser and Dr. Getachew W. Begashaw
moser@msu.edu and begashaw@msu.edu

PREFACE

This paper is a part of a series of reports of the activities conducted under a grant from the Fund for Rural America, U.S. Department of Agriculture. Funds for the three year grant entitled "Enhancing Rural Economies Through Comprehensive Extension, Research & Partnering Approaches Using Multi-County Clusters in Michigan With Application to National Rural Settings" were received by Michigan State University's Department of Agricultural Economics in March, 1998. The major goal of the grant is to increase economic development activity in four clusters of rural counties in Michigan through the utilization of the resources of the Michigan State University Extension Service, Michigan Agricultural Experiment Station, and other resources of Michigan State University. Various local, state, and federal public partners as well as the private sector are to co-sponsor projects.

This paper represents the first stages of a continuing project to explore the utilization of labor supply analysis in rural Michigan and to develop Extension programs to meet their needs. Future activities include focus groups, a conference, and perhaps a rural academy to be developed by Michigan State University and its partners.

Colletta Moser, Ph.D.
Professor, Agricultural Economics
Principle Investigator

15 pages

Copyright © **2000 by Dr. Colletta Moser and Dr. Getachew Begashaww.** All rights reserved. Readers may make verbatim copies of this document for non-commercial purposes by any means, provided that this copyright notice appears on all such copies.

SOME REASONS WHY RURAL WORKERS DO NOT FIND WORK IN TIGHT LABOR MARKETS: RESULTS FROM FOCUS GROUPS MEETINGS IN RURAL MICHIGAN1[1]

Dr. Colletta H. Moser and Dr. Getachew W. Begashaw

I. INTRODUCTION

Rural areas in US suffer from some common economic problems such as high unemployment/underemployment, persistent poverty, low income, poor public services and infrastructures, and under investment in education and training. Several literatures on the topic have largely explained the existence of these economic problems in terms of higher unemployment rates in the rural areas. Their cure has also been thought to be an economic expansion that creates more jobs in the rural areas. Therefore, the continued national economic expansion, coupled with the net in-migration that spurred non-metro population growth in the 1990s, was seen as a sign and a stimulus for good economic conditions in the rural areas (Johnson, 1999; Johnson and Beale, 1999).

However, despite the strong economic growth in the country, poverty and low income still linger in the non-metro areas that were undergoing some economic expansion and demographic changes. Fund for Rural America/Enhancing Rural Economies (FRA/ERE), a project funded by a USDA grant and co-sponsored by Michigan State University Extension and Agricultural Experiment Station, undertook a research project to better understand the factors that keep adults from working full-time on a regular yearly basis in a non-metro labor market. In the grant proposal of this project it is argued that "the dilemma of rural manufacturing is particularly troublesome in view of international competition. Because rural areas often exhibit characteristics of surplus labor market, industries, such as low-skill manufacturing, which are labor intensive have developed. The manufacturing is usually in the non-durable area such as apparel and food. But competitions from even lower wage sectors of the U.S., and even more importantly, from foreign countries, have brought the demise of many rural communities. Moreover, since in rural communities there is considerable labor force movement between farm and non-farm uses of time, the impact of declines in either area may not be reflected accurately in the unemployment rate. The individual remains 'employed' but at either a time or human resource utilization level below her or his capability". While this view still holds for many rural communities in the country, could there be other additional factors that account for the higher unemployment rate in the rural areas?

This study, with the objective to identify the major barriers that are keeping rural residents from obtaining full-time employment or being in the labor force at all, specially during a period of economic boom, is conducted by facilitating four labor supply focus groups meetings. Two are

---

[1]The authors would like to acknowledge that the data and information provided by Dr. Nan Johnson in her reports of the four focus groups meetings have been used extensively in writing this paper.

conducted in Summer 1998 while the other two are in Spring 2000. These focus groups meetings are facilitated in four non-metro growth counties of Michigan; namely Cheboygan, Emmet, Roscommon, and St. Joseph. The four counties are purposefully selected because they have strategic geographic locations that spurred economic and demographic expansion during this period.

II. SOCIOECONOMIC CONTEXT

A. Cheboygan County

Cheboygan County is a non-metropolitan (non-metro) county located at the northern-most tip of the lower peninsula of Michigan. It is very "rural" in the sense that it is completely surrounded by five other non-metro counties. Its total population size in 1996 (23,000 people) was far below the minimum city size (50,000) necessary to qualify the county for metropolitan status.

The contextual advantages shared by Cheboygan with the other adjacent counties are lakes, forests, hills, and ramps to Interstate 75. It has experienced population growth in the 1990s from the net in-migration of people, many of whom were elderly retirees. But it has a potential advantage over the other adjacent counties that could enhance local economic development. It has a port on Lake Huron. For example, oil is unloaded at the Cheboygan City docks, trucked downstate to refineries, and then returned to Cheboygan City for sale at prices that are tops for the state.

The failure of Cheboygan County to harness its ecological assets for speedier economic development can be seen by comparing current yearly and seasonal rates of unemployment with the situations elsewhere in the state. A Cheboygan County newspaper article published in Spring, 2000 stated that the county had the second highest unemployment rate (17.9%) in Michigan (after Mackinac County, just across the bridge connecting I-75 with the Upper Peninsula). The high season for employment (May - October) emphasizes warm-weather sports. During the low season (November - April), winter sports might be touted. Yet ice skating, ice fishing, and cross-country and down-hill skiing have to attract enough younger in-migrants for year-round sports to support population growth.

In this county, 25% or more of the average annual personal income in the late 1980s came from transfer payments made by federal, state, or local governments (Cook, 1995). The transfer payments reflected not only the presence of retirees who received Social Security and Medicare benefits but also the high rate of poverty that qualified residents for food stamps and Medicaid. In Spring 2000 a daily newspaper article reported that the poverty rate in this county was second highest in the state.

B. Emmet County

Emmet County is a non-metro county located at the northwestern most tip of the lower peninsula of Michigan. It is bordered on the east by Cheboygan County, which shares its many environmental amenities. Emmet has hills, forests, lakes, several public ports on Lake Michigan and access to the Straits of Mackinac and the Mackinac Bridge to the upper peninsula.

Emmet's reputation as a resort dates back at least 100 years. Well-maintained, Victorian-era summer homes line the bayside road downtown. In 2000, the National Trust for Historic Preservation named Petoskey as one of the dozen "distinctive destinations" that retain a "sense of place." The summer tourist season centers on sports fishing, pleasure boating, swimming, water skiing, and golfing. A fall and winter sports season features hunting and snow skiing. In addition, Emmet has two hospitals that have attracted doctors and nurses into the county. The medical community of Emmet can offer more complex services (e.g., chemotherapy) than what are available in Cheboygan County.

Emmet County was classified as a recreational county by Beale and Johnson (1998) on the basis of data about recreational employment and earnings, seasonal housing, and expenditures for lodging. The spending on housing/lodging can range from buying cottages or condos only for private, occasional usage to payment for hotel/motel rooms. Resort counties are recreational counties where people who are not permanent residents make a local, social, and economic investment by building/buying homes to which they return seasonally but annually. Resort counties are luckier than recreational counties in serving vacationers who visit the area often enough to purchase a second home and to become real-estate taxpayers. The Emmet County Extension Agent said that Emmet is not only a recreation county but also a resort county.

According to some statistical data for the period of 1985-94, Emmet County appears to be a prosperous place. It saw a double-digit growth in employment in all sectors of the economy, and this growth was greater than for the state as a whole (McPherson, 1997). The sector with the largest growth in employment (60%) was wholesale and retail trade; the second largest (57%) was manufacturing. The expansion in employment must be closely linked to the net in-migration that this county saw in 1990-95.

According to the 1990 Census, this county had the largest percentage of college graduates. Of the four research counties, Emmet has the highest per-capita personal income in 1994 and the highest median value of owner-occupied dwellings (McPherson, 1997). The presence of high number of skilled professionals could be attributed to the existence of two hospitals that provide many jobs for physicians and other medical specialists. Certainly, an elaborated medical infrastructure also attracts retirees who want to use the golf courses and the marinas. The presence of a down-hill ski resort draws both older and younger wealthy vacationers who want regular, seasonal lodging. These upper income and educated vacationers are most likely to buy homes that they occupy on an irregular, but annual schedule.

C. Roscommon County

Roscommon is a non-metro county that is landlocked, but completely surrounding a huge glacier lake that gives it more square mileage of water than of land. Houghton Lake is a popular site for fishing, boating, and swimming. This county contains a federal route that puts it within commuting range of three metro counties (Muskegon, Clare, and Gladwin) in the southern LP. Because of economic emphasis on leisure industries that attract the settlement of the elderly people, it has become a popular retirement destination to which retired people escape from the metro bustle. Of all four non-metro study counties, this one had the greatest percentage of persons aged 75 or older in the 1990 Census of Michigan, the highest rate of net in-migration in 1990-95, and a significant share (more than 25%) of its residents eligible for Medicare by 1995 (McPherson, 1997).

It is commonly believed that net in-migration to non-metro counties stimulates economic development and creates jobs. It is consistent with this viewpoint that in-migrants to non-metro U.S. counties in the early 1990s who had a high school diploma or some college, who had upper white-collar occupations, or who were comfortably above the poverty line greatly outnumbered in-migrants with lower levels of education, lower status occupations, and who were poor or near-poor (Fulton et al., 1997). However, it is puzzling that the average unemployment rate in Roscommon County in 1998 stood at 7.6%, which was somewhat above that for all non-metro counties in the state (4.9%) and about twice that for the state (3.6%).

D. St. Joseph County

St. Joseph County in the southernmost tier contains a federal highway (US 131) running the full south-to-north length of the Lower Peninsula (LP) of Michigan. This county is located close to six metro counties spanning the entire lower peninsula of the State (west-to-east: Van Buren, Kalamazoo, Calhoun, Jackson, Washtenaw, and Wayne). Wayne County is home to Detroit, the most populous Metropolitan Statistical Area in the State of Michigan. These metro counties serve the Southern Tier Counties as alternative labor markets. Furthermore, St Joseph lies within commuting distance of the metropolitan labor markets in South Bend (Indiana) and Chicago (Illinois). The highway facilitates commuting to jobs in the neighboring metro counties to the north and gives easy access to a major east-west interstate artery (I-94) allowing residents to drive south to metro labor markets in Indiana and Illinois.

St. Joseph County is a bucolic area with about 52 glacial lakes. The agro-climatic conditions support a commercial fruit industry specializing in blueberries, raspberries, strawberries, and apples. Peppermint grows wild in the fields and woods. The natural beauty of the county, along with its proximity to South Bend and Chicago attracts not only residents who stay year-round but also those who occupy seasonal second homes.

St Joseph County is the most economically advantaged one of the four study counties. The FRA project proposal defined St. Joseph County as belonging to the "tight" labor market. Indeed, in 1996, according to the federal unemployment labor statistics report the unemployment rate for St. Joseph was 4.9%, which was above that of all non-metro Michigan counties at large (7.5%) and exactly equal to that of all the metro counties at large (McPherson, 1997).

III. SUMMARY OF THE FINDINGS FROM THE FOCUS GROUPS MEETINGS

Three of the four study counties (Cheboygan, Emmet, and Roscommon) exhibited consistent high unemployment rates at any time of the year when compared to the State and national unemployment data . The persistence of this high unemployment rate in these rural areas is observed during a period in which labor supply shortage is expected due to the tight labor market condition in the state and the country. How can one explain this paradox? The focus groups meetings participants have identified some factors they considered to be barriers that kept non-metro residents from getting full-time, year-round work in a single job. They are:

- difficulty in securing information about job opportunities from formal channels of communication;
- lack of community infrastructures; such as public transportation systems, affordable child, elderly, and disabled spouse care centers;
- shortage of full-time jobs with livable wages and benefits;
- unfair discrimination based on some physical characteristics such as sex, disability, and age;
- histories of conflict with management, misdemeanors, or emotional instability of workers; and
- lack of computer literacy and training.

IV. DATA AND SAMPLE

In this study we used a qualitative data collection method that employs focus groups approach. A moderator raises a series of questions that are meant to guide the group's identification of a range of answers to the general research problem. This method is chosen because it is believed that the data collected through this design has advantage over other forms of data collection in that it creates the opportunity for solutions to be heard and discussed by the participants (Morgan 1998a). Since the selection of the focus groups participants depends on a purposive sampling, respondents are persons with an opinion and a personal stake in solving the research problem. Furthermore, it is believed that the focus group approach has a potential to help

the researchers to gain insight into a potentially sensitive problem for which there were no solutions in the published literature.

Multiple methods are used to attract participants. Newspaper articles are published a week or less before the focus group meetings. Announcements and posters with tear-off sheets were placed in such public locations as bulletin boards at grocery stores, convenience stores, the post office, restaurants, and service clubs. The newspapers and posters announced that "a few good men and women" who had not worked for pay at least 35 hours/week in the past month were sought for a small discussion group on problems preventing full-time employment in the county. The tear-off sheets requested the name, sex, age, address, phone number and employment information (months since last work, hours/week on last job, and type of work in last job), asked people to return the completed sheet to the MSU Extension Service at the County office, and gave its address and phone number. It promised a compensation of $10, plus a free lunch. For crowd control, the location of the free meal was not announced and was obtainable only by contacting the County Extension Office.

V. FINDINGS

The four focus groups meetings showed more or less similar patterns of barriers that were adversely affecting rural job seekers not to get full-time, year-round employment. In general, they could be categorized into five sections. They are: discriminations (sex, age, and other physical characteristics); types and quality of available jobs; labor pool diversity, political constraints, and inadequate local services and infrastructures (information, transportation, child care, elderly care, education and training, and employment agency).

A. Cheboygan

Location	*Unemployment Rate May, 2000*	*Unemployment Rate Average, 2000*
United States	3.9	4.0
Michigan	3.1	3.6
Cheboygan	4.7	10.2

Source: Michigan Department of Career Development, Employment Service Agency's Office of Labor Market Information.

1. Discriminations

Age, physical characteristics (sex, race, handicap) and value systems are some of the factors that could become a barrier to obtain job in this county. For example, some of the participants indicated that employers are prejudiced against hiring people at the extremities of the typical labor-force age range. Nine of the male participants ranged between 18 and 70, while the five female were between 42 and 60. Five of the 14 participants are teenaged males. A perceived reason for the reluctance to hire teenagers (in addition to the disapproval of how some teenage job seekers look and act) was a feeling that they would be unreliable, irresponsible, and lazy workers. While it is possible to assume that prejudice against some younger job seekers may lead some employers to favor older workers, it is observed that many older people seeking work are reportedly turned away because they lack the necessary skills such as the ability to use computers.

Two of the participants are physically challenged job seekers. Consistent with the prevalence of physical disability more in rural than urban populations, five participants (three women and two men) reported that they were not able to work because of physical disability of a household member. This is so because the care of the relative was so time-consuming or because the search for seasonal work away from their current residence would require travel that the relative was not well enough to undertake. Furthermore, it is reported that individual or family bad reputations, drug use, and related legal infraction could stigmatize the individual job seeker. The traditional value system of rural areas in the US puts a premium on avoiding deviation from norm and hard work.

2. Types of Available Jobs

At the root of the unemployment/underemployment problem in this non-metro county lies the structure of employment itself. Tourism is the main industry in this part of the state. Although it is a very profitable enterprise the profits accrued are often expropriated to corporate headquarters without much help in creating new jobs in the area. Furthermore, the majority of the jobs in this industry pay only the federal minimum wage of $5.15/hour at the time of the study. Tourism in Cheboygan is focused on summer sports. Thus, the jobs in hotels and restaurants, which are the largest employers, are directly dependent on number of tourists visiting the area. Most of the businesses that rely on the tourists that come for summer sports will be closed during the off-season periods and the employees are laid-off.

Some people expressed the opinion that the other factor that largely weakens the ability of workers to hold onto their job is employers's ability to exploit laborers in a tight job market situation by playing one segment of the labor force against the other. For instance, these people said that dismal some employers are reported to have exploited labor by importing foreign laborers (Jamaicans in this case). It is commonly reported that the locals are fired when the

Jamaicans are hired. Moreover, they (the Jamaicans) are reportedly paid $2 less per hour than the minimum wage. There are participants who have reported that they have never gotten promised wage increase even though they have been working hard on the job, ordered to perform menial jobs unrelated to the job for which they were hired, and discharged from work for calling in sick.

3. Lack of Local Public Services and Infrastructures

Lack of public and private transportation was seen as a major deterrent to even part-time work. There is a taxi service in Cheboygan City that runs from 8 AM till 8 PM. This would not help those who are working the night shift. Although very few of the employers (like Super 8 Motel in Mackinaw City) provide a sort of bus service, the workers have to walk long distance from home to get to the pick-up point. To catch the bus, they have to leave home at least an hour and half to two hours before the time they have to report to work. It is the same situation when they get back from work. There is a mother who reported that her son camps in the woods in the summer so that he can walk to his job in another city.

Lack of affordable day care for children was felt by many workers. They reported that caring for young grandchildren is keeping them out of work. Some have indicated that although the high costs of day care might wipe out the value of a parent's take-home pay, parents are still willing to work for fringe benefits. The problem is the unavailability of such centers.

There are some participants who have considered some of the weaknesses in the local political institutions as a sort of organizational failure. They thought that there was a lack of foresight by the local economic development commission. And they also feel that voters lack cohesion. They point to the failure of taking advantage of the port of Cheboygan City as an example. Manufactured products could have been shipped to cities in the Northeast that feed domestic, regional and foreign markets. In their view, diversifying the local marketplace into non-seasonal industries would add stability and quality to the jobs in Cheboygan County.

B. Emmet County

Location	*Unemployment Rate May, 2000*	*Unemployment Rate Average, 2000*
United States	3.9	4.0
Michigan	3.1	3.6
Emmet County	5.9	6.7

The stories of labor-market hardship told by the focus group meeting in Emmet County were in stark contrast to accounts published in some of the local papers. For instance, "Petoskey News-Review" of April 27, 200 issue advises potential employers to shorten the time involved in the hiring process, to advertise not only the material benefits but also the culture of the company, and to use multiple recruiting sources including job fairs on college campuses and bulletin boards on the World Wide Web, which were further noted as an avenue for screening resumes and conducting on-line interviews. However, the profiles of most of the Emmet County focus group participants do not match those skills required by employers who use the methods of recruitment suggested in the paper. Job fairs at college campuses may alienate many of the workers that do not possess college diplomas and computer skills. The discussion of the focus group meeting brought out several barriers that members thought blocked them from working full-time year-round.

(1) Lack of Local Public Services and Infrastructures

As in Cheboygan County and many other rural communities, transportation is one of the major public service problems that job seekers in Emmet county are faced with. Many of the people in the group either have no cars or their cars are broken, and some of them could not drive due to physical disabilities. Bus services operated by some centers or organizations give priority to the groups they are set to serve. These bus services do not always run on time due to traffic tie-ups, lack of drivers, or special needs and care of the groups they serve. As a result, job seekers in this county are constrained to look at commuting outside Emmet County to work in places like Traverse City as an option. Even for those who have private cars, the time to commute 65 miles one-way, the high cost of gasoline, and depreciation of the vehicle are prohibitive.

Care for dependent family members (infants or seniors) is another barrier for job seekers in the county. Day-care providers will not accept small children until they are potty-trained. Even then, the day-care cost of about $24/day for the potty-trained kids is a huge bite out of the parent's paycheck. Similarly, home-health care organizations which provide care services for the elderly charge up to $16.50/hour. And many elderly clients can not afford such high expenses of home-health care. Day-care centers that may provide services on a reduced scale and expenses are lacking.

Information about work opportunities is controlled by an informal system. Several members of the group thought that some of the employment agencies like Michigan Works are not adequately helping them to find jobs. Some have even reported that they felt verbally abused by agency personnel. Others have indicated that they are not getting professional job developer help. A counselor is reported to have looked in the Yellow Pages to search a job for a client. Even if they succeed in finding a job for a client, the group members complained that they place them in a work environment that exposes them to some sort of negative experiences.

(2) Discriminations: Physical and Emotional Disability

Some have disabled spouses that they need to stay home and care for; some have physical disability of their own that makes it difficult for employers to hire them for the types of jobs they have; and some are in rehabilitation and think that employers and employment agencies are prejudiced against people in their situation. Generally, people with some sort of disability may develop reputations for unreliability in small communities and may face stigma as a consequence. Similarly, many employers believe that local people lack a work ethic that temporary, foreign migrants have. The practice of hiring Jamaicans, who are seen as friendly, hard-working, and cheap, began on Mackinac Island and is now expanded to adjacent areas.

(3) Types, Instability, or Seasonality of Jobs

The nature of most of the jobs in this resort area was reported as a hindrance to full-time year-round employment. The group participants noted that the seasonality of tourism was an unchangeable reality shared by Emmet County with other tourist areas such as those in Florida and Arizona. Moreover, some local enterprises (three restaurants, a car dealership, a hobby shop, and a factory) have closed for good leaving their workers without jobs.

C. Roscommon County

Location	*Unemployment Rate July, 1998*	*Unemployment Rate Average, 1998*
United States	4.7	4.5
Michigan	5.1	3.9
Roscommon County	5.4	7.6

Source: Michigan Department of Career Development, Employment Service Agency's Office of Labor Market Information

(1) Unavailability of Full-Time Jobs

Some of the group members indicated that the hours one can work are directly determined by the season and claimed that one can not get 40-hours/week work on the same job. Beside those

who could not find jobs because of "over-qualification", skilled job seekers reported that they are only offered variable work hours. These job seekers think that the problems of low pay and irregular hours are very much tied to the fact that the industries that have most jobs need to locate close to metro markets. They argue that manufacturing can not be a source of rural economic development creating new jobs because transportation to metro markets would be too costly for them to base their productions in the rural communities. They rather think the prospects are better in financial markets or in high-tech industries. They suggest that the core industrial firms that pay highest wages and best benefits should be differentiated from peripheral firms. They noted that one has to drive to places like Midland, Michigan (in a metro county non-adjacent to the Northern Corridor Tier) in order to get a job at a "big" company.

(2) Labor-Pool Diversity and Political Constraints

The group members have expressed disaffection towards the elderly and retired in-migrants to this area. Lower land prices and taxes attract many retirees. Since the retirees mostly live on a fixed income they value part-time jobs to supplement it. They will take these part-time jobs even if they are low paying. Therefore, some saw the retirees as a relatively cheap labor pool that helps employers to keep down costs. Many retirees also have a relative competitive advantage in terms of skill and qualification against younger members of the labor-force group who might otherwise pressure employers for more hours and better pay. There are retirees who are in their 50s who have up-to-date (high tech) skills who are willing to work for relatively low wages.

Also the younger group members felt a political imbalance because they expect to move out. The older people, who are mostly the property investors, are the ones who vote or run for office. All the county commissioners are people of 45 years old or over, for instance. Mostly, the older people vote against change: for example, they voted down a school bond in Houghton Lake. These sorts of political and institutional arrangements could adversely affect economic policies that may help new job creations.

(3) Lack of Local Public Services and Infrastructures: Childcare and Elderly Care Facilities

Quality and cost of childcare facilities are problematic: they either don't look good or hard to afford if one makes only the minimum wage. Some members of the focus group reported a hardship in finding elder-care services including "assisted living facilities". Some said it is ironic that in a county with such a larger population of retirees, there would be a dearth of nursing homes and assisted living facilities. Interestingly, one of the group participants concluded that job opportunities could be created by building and operating an elder-care facility.

(4) Credit for Small-Scale Entrepreneurship

Some of the participants would like to have their own businesses/farms like raising horses. But, such ventures require substantial capital investment. Although some of them are willing to take grave financial risks, they find it hard to get Small Business Association (SBA) loans. Some of those who used to be self-employed agreed that it is risky to start one's own business and suggest that the easiest way of borrowing small sums of cash, without applying for loans or raising collateral, is using a credit card with a low interest rate.

(5) Discriminations: Prejudice Against Women

Despite Title VII of the 1964 Civil Rights Act, some employers in the area are quite candid in their disposition not to hire women, said the focus group participants. Furthermore, they felt that many of the women in the labor force are subjected to direct and veiled sexual harassment in their occupation. Some of them are even forced out of their work. The women in the group reported that some companies, wary of lawsuits, will hire token women, who may then face harassment because of their status as a token. Generally, in this rural county, women in the labor force are being criticized for taking jobs "that family men should have had."

D. St. Joseph County

Location	*Unemployment Rate July, 1998*	*Unemployment Rate Average, 1998*
United States	4.7	4.5
Michigan	5.1	3.9
St. Joseph County	4.8	3.4

Source: Michigan Department of Career Development, Employment Service Agency's Office of Labor Market Information

Although this county has one of the lowest unemployment rates in the State, the group meeting participants have reported that age and gender discrimination, lack of quality jobs, scarcity of public transportation to work, low quality education in the public high schools, inadequacy of licensed childcare facilities, and shortage of publicly accessible information about

job openings are barriers to full-time employment. Also, they talked about the fundamentalist Christian ethos that assigns mothers to the home primarily and to the market place secondarily. Thus, the perceived secondary nature of women's employment meant that available jobs were low paying.

They think that most of the jobs available in St. Joseph County lack benefits, and often employers recruit the younger segment of the labor force (under 35 years old). The jobs are primarily for unskilled workers. Those job seekers with university degree and experience find themselves to be overqualified. They felt that the completion of many job-related credentials is associated with an older age. Some of the members have concluded that their failure to find a full-time job that pays benefits and a wage above the minimum level has nothing to do with their qualifications or personality but their age.

There are three identified barriers associated with childcare services that adversely affect the employment opportunity of mothers. They are quality of the services, hours of operation, and affordability. The participants said that although there are a number of day care centers in the county, they have long waiting lists or are open only for certain hours that would limit the options of these job seekers to work different shifts. Furthermore, unless helped by the Department of Social Services, daycare is very expensive especially for mothers with very young children.

As in the other three study counties, job related information is mostly available through informal means. All of the participants got their current employment by word-of-mouth. Information about jobs are leaked through informal channels perhaps because employers might be afraid of who might apply for the job and they do not want to be responsible for bringing into the small city a new worker who may turn out to be an undesirable citizen.

Transportation services are not easy to come by in this rural county. The participants felt that the fare for the only available service, Dial-A-Ride, is very expensive and the ride must be reserved 24 hours in advance. Evidently, this requirement is not amenable to riders getting sudden job opportunities to work more hours or for more pay. Coupled with this, they reported that the quality of education in the public high school is inadequate and does not prepare them to be competitive in the job market. The curriculum, for example, does not require computer literacy before graduation.

VI. CONCLUSION

The focus groups meetings occurred during a period in which the tight labor market in non-metro Michigan was expected to grow even tighter. Community leaders in many of the non-metro growth counties of Michigan were designing ways of attracting local residents who were totally out of the labor force into working as many hours as possible in the formal economy. Indeed, they were fearing that some industries may relocate their base of operations if they are unable to hire enough local workers. Even some local papers were reporting how dismal the last few years have been for some employers who depended on summer help. Similarly, some job developers in the areas were predicting that there will be a shortage in skilled labor supply. Nonetheless, the focus groups indicated that there were educated and skilled workers who were seeking to enter the labor force or who would work more hours if they were available. There were job seekers who were not able to get full-time employment and there are several factors that contribute to this state of employment in the rural areas.

First and for most, there is an inadequate and seasonal demand for most of the goods and services that are produced in the counties included in this research. As a result, both employers and employees face risks and uncertainties about the future of the businesses they are engaged in. Due to lack of formal channels of finding jobs, job seekers have to fall back on word-of-mouth, and that is not an efficient means of finding job .

Because publicly supported bus systems may not be cost-effective in non-metro areas, there is no public transportation system that job seekers could use. This constrains workers' mobility. Because workers can not find full-time jobs, they take multiple part-time jobs and the transportation costs of driving large distance to work and to day care make minimum wage jobs even less attractive than in many urban areas. Also the high cost of licensed child and elder care centers creates financial difficulties for job seekers to take low paying jobs.

The high collateral requirement to get loans from the Small Business Association minimizes the opportunity of starting own home-based business enterprises. Finally, the participants felt that local government officials could exercise more foresight in attracting certain kinds of businesses and support systems for workers in their communities.

References

Allensworth, E. M., and R. I. Rochin. 1998. "Ethnic Transformation in Rural California: Looking Beyond the Immigrant Farmworker." *Rural Sociology* 63(1): 26-50.

Beale, C. L., and K. M. Johnson. 1998. "The Identification of Recreational Counties in Nonmetropolitan Areas of the USA." *Population Research and Policy Review* 17: 37-58.

Cook, Peggy Ross. 1995. 1989 ERS County Typology Codes. Retrieved April 30, 2000. (Http://www.econ.ag.gov/epubs/other/typolog/typ89.txt.).

Green, G. P. n.d. "Tight Labor Markets and Wages: Employer Responses to Labor Shortages." Unpublished manuscript. Department of Rural Sociology, University of Wisconsin, Madison.

Johnson, K. M. 1999. "The Rural Rebound." *Reports on Rural America* 1(3):1-19.

Johnson, K. M., and C. L. Beale. 1999. The Continuing Population Rebound in Nonmetro America." *Rural Development Perspectives* 13(3): 2-10.

Johnson, N. E. 1993. *Health Profiles of Michigan Populations of Color*. Lansing: Michigan Department of Public Health.

Johnson, N. E. 2000. "Attempts to Resolve a Disability in Walking: Different Strategies or Different Outcomes for Nonmetro U.S. Elders?" *Journal of Family Issues* 21(5): 587-610.

Lobao, L. M. 1990. *Location and Inequality: Farm and Industry Structure and Socioeconomic Conditions*. Albany, N.Y.: SUNY Press.

MacPherson, M. L. 1997. *Michigan: A Rural/Metro Comparison*. East Lansing: Michigan State University Extension.

Morgan, D. L. 1998a. *The Focus Group Guidebook*. Thousand Oaks, Calif.: Sage.

Morgan, D. L. 1998b. *Planning Focus Groups*. Thousand Oaks, Calif.: Sage.

Williams, L., K. Archavanitkul, and N. Havanon. 1997. "Which Children Will Go to Secondary School? Factors Affecting Parents' Decisions in Rural Thailand." *Rural Sociology* 62(2)

Zsembik, B. A., and Z. Bonilla. 2000. "Eldercare and the Changing Family in Puerto Rico." *Journal of Family Issues* 21(5): 652-74.